Supreme Court, U.S.
FILED
AUG 20 1999
OFFICE OF THE CLERK

No. 99-150

IN THE

Supreme Court of the United States

WAL-MART STORES, INC.,

Petitioner,

v.

SAMARA BROTHERS, INC.,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

RESPONDENT'S BRIEF IN OPPOSITION

STUART M. RIBACK
Counsel of Record
FRED M. WEILER
SILLER WILK LLP
Attorneys for Respondent
747 Third Avenue
New York, New York 10017
(212) 421-2233

154715

Counsel Press LLC
FORMERLY LUTZ APPELLATE SERVICES
(800) 274-3321 • (800) 359-6859

QUESTIONS PRESENTED

1. Whether a line of clothing with a consistent overall appearance that recognizably indicates the source of the garments bears a trade dress protectible under the Lanham Act.

2. Whether there is any reason to depart from the long-settled law that trade dress protection and infringement issues are issues of fact for juries to decide.

3. Whether § 105 of the Copyright Act preempts state law claims that are based not on copying alone, but on consumer confusion and deception of the public.

4. Whether original clothing designs consisting of original appliques and their unique arrangement and coordination on fabric can be afforded copyright protection.

PARTIES TO THE PROCEEDING AND STATEMENT PURSUANT TO RULE 29.6

All parties in the Court of Appeals are designated in the caption. Respondent Samara Brothers, Inc. ("Samara") is a wholly-owned subsidiary of Samara Group Ltd., a corporation organized under the laws of the British Virgin Islands. No publicly held corporation owns 10% or more of Samara's stock.

TABLE OF CONTENTS

	Page
Questions Presented	i
Parties to the Proceeding and Statement Pursuant to Rule 29.6	ii
Table of Contents	iii
Table of Cited Authorities	v
Additional Statutory Provision Involved	1
Counterstatement of the Case	3
Summary of Reasons the Writ Should Not be Granted	6
Reasons for Denying the Writ	10
I. Samara's Clothing Bear Designs That Are Non-Functional And Source-Indicating	10
A. Samara's Trade Dress is Not Aesthetically Functional	10
B. The Trade Dress is Not Too Vague and Amorphous to be Protectible	13
C. There is No Split Among the Circuits, and Certainly None That This Case Can Resolve.	15

Contents

	Page
1. Second Circuit	15
2. Third Circuit	18
3. Eighth Circuit and Fifth Circuit	19
D. The "Redefining" is Nothing of the Sort.	21
1. There was no "redefining"	21
2. Deciding trade dress claims is an issue for the jury	24
II. New York State Law Is Not Pre-empted By The Copyright Act	25
III. Supreme Court Review Of The Copyright Issues Is Unnecessary	26
Conclusion	27

TABLE OF CITED AUTHORITIES

Cases:

	Page
Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4 (2d Cir. 1976)	14, 16, 19, 20
Aromatique, Inc. Gold Seal, Inc., 28 F.3d 863 (8th Cir. 1994)	20
Bauer Lamp Co., Inc. v. Shaffer, 941 F.2d 1165 (11th Cir. 1991)	8, 12
Body Support Systems v. Blue Ridge Tables, 934 F. Supp 749 (N.D. Miss. 1996)	20
Duraco Products v. Joy Plastic Enterprises Ltd., 40 F.3d 1431 (3d Cir. 1994)	18
Feist Publishing Inc. v. Rural Telephone Service Co., 499 U.S. 340 (1991)	26
Hartford House, Ltd. v. Hallmark Cards, Inc., 846 F.2d 1268 (10th Cir. 1988)	8, 12
Imagineering, Inc. v. Van Klassens, Inc., 53 F.3d 1260 (Fed. Cir.), *cert. denied*, 516 U.S. 909 (1995)	8, 12
Knitwaves Inc. v. Lollytogs Ltd., 71 F.3d 986 (2d Cir. 1995)	11, 12, 16, 17, 19

Page

Landscape Forms, Inc. v. Columbia Cascade Co., 113 F.3d 373 (2d Cir. 1997) 11, 12, 16, 17

Markman v. Westview Instruments, 517 U.S. 370 (1996) 24

Pebble Beach Co. v. Tour 18 Ltd., 155 F.3d 526 (5th Cir. 1998) 20

Prufrock Ltd. v. Lasater, 781 F.2d 129 (8th Cir. 1986) 20

Qualitex Co. v. Jacobson Prods. Co., Inc., 514 U.S. 159, 115 S. Ct. 1300 (1995) 9, 10, 11, 12

Roulo v. Russ Berrie & Co., 886 F.2d 931 (7th Cir. 1989) 8, 12

Samara Brothers, Inc. v. Judy Philippine, Inc., 969 F. Supp. 895 (S.D.N.Y. 1987) 4

Stuart Hall Co., Inc. v. Ampad Corp., 51 F.3d 780 (8th Cir. 1995) 20

Sunbeam Prods. Inc. v. West Bend Co., 123 F.3d 246 (5th Cir. 1997) 20

Taco Cabana, Inc. v. Two Pesos, Inc., 932 F.2d 1113 (5th Cir. 1991), *aff'd*, 505 U.S. 763 (1992) 8, 12

Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763 (1992) 9, 14, 15

Page

Rule:

United States Supreme Court Rule 10 ..... 8, 9

Other Authorities:

Copyright Act § 105 ..... i, 25

New York General Business Law § 349 ..... 1, 25

ADDITIONAL STATUTORY PROVISION INVOLVED

Section 349 of the New York General Business Law:

Deceptive acts and practices unlawful

(a) Deceptive acts or practices in the conduct of any business, trade or commerce or in the furnishing of any service in this state are hereby declared unlawful.

(b) Whenever the attorney general shall believe from evidence satisfactory to him that any person, firm, corporation or association or agent or employee thereof has engaged in or is about to engage in any of the acts or practices stated to be unlawful he may bring an action in the name and on behalf of the people of the state of New York to enjoin such unlawful acts or practices and to obtain restitution of any moneys or property obtained directly or indirectly by any such unlawful acts or practices. In such action preliminary relief may be granted under article sixty-three of the civil practice laws and rules.

(c) Before any violation of this section is sought to be enjoined, the attorney general shall be required to give the person against whom such proceeding is contemplated notice by certified mail and an opportunity to show in writing within five business days after receipt of notice why proceedings should not be instituted against him, unless the attorney general shall find, in any case in which he seeks preliminary relief, that to give such notice and opportunity is not in the public interest.

(d) In any such action it shall be a complete defense that the act or practice is, or if in interstate commerce would be, subject to and complies with the rules and regulations of, and the statutes administered by, the federal trade commission or any official department, division, commission or agency of the United States as such rules, regulations or statutes are interpreted by the federal trade commission or such department, division, commission or agency or the federal courts.

(e) Nothing in this section shall apply to any television or radio broadcasting station or to any publisher or printer of a newspaper, magazine or other form of printed advertising, who broadcasts, publishes, or prints the advertisement.

(f) In connection with any proposed proceeding under this section, the attorney general is authorized to take proof and make a determination of the relevant facts, and to issue subpoenas in accordance with the civil practice laws and rules.

(g) This section shall apply to all deceptive acts or practices declared to be unlawful, whether or not subject to any other law of this state, and shall not supersede, amend or repeal any other law of this state under which the attorney general is authorized to take any action or conduct any inquiry.

(h) In addition to the right of action granted to the attorney general pursuant to this section, any person who has been injured by reason of any violation of this section may bring an action in his own name to enjoin such unlawful act or practice, an action to recover his actual damages or

fifty dollars, whichever is greater, or both such actions. The court may, in its discretion, increase the award of damages up to one thousand dollars, if the court finds the defendant willfully or knowingly violated this section. The court may award reasonable attorney's fees to a prevailing plaintiff.

COUNTERSTATEMENT OF THE CASE

Samara Brothers, Inc. ("Samara") showed at the trial that the core of its business is its line of spring/summer seersucker children's clothing (Tr. 135).[1] Ever since 1985, when Samara reinvented itself as a department store brand of children's clothing, Samara has consciously hewed to a very narrow band of design approaches for its products, in order to have a uniform appearance, consistent across the line. As Samara's Vice President of Sales, Gary Goldman, testified, Samara "ha[s] kind of a feeling that everything that we produce should kind of look like it comes out of our office. It shouldn't be all over the place. It should have a consistent feel to it." The reason for the emphasis on consistency is "[t]o build brand loyalty and establish a customer base." (Tr. 208-10). The look of Samara's garments was thus intended to designate source.

Samara has adhered to this approach consistently through today. So complete is market identification of Samara with the Samara look that whenever Samara marketed clothes that departed from the Samara look, its sales were disappointing (Tr. 219). The look of the garments in evidence had been used since before 1990 (Tr. 224). Samara even uses many of the same appliques year after year (Tr. 226). The District Court specifically noted the consistency of Samara's look

1. "Tr." refers to the trial transcript in the case. "A__" refers to pages of the Appendix on Appeal.

across its line and over the years,[2] as did the Court of Appeals.[3]

The clearest proof that the Samara look is distinctive comes from Petitioner Wal-Mart Stores, Inc. ("Wal-Mart") itself. Wal-Mart's senior buyer, Ted Kleist, testified under examination ***by Wal-Mart's own counsel*** that he recognized garments with "the Samara type of look" even without looking at the labels (Tr. 394-95). Moreover, Wal-Mart's counsel understood the look well enough to be able to create an infringing dress design at the trial (Tr. 258-60, Deft. Ex. 102).[4] Wal-Mart's argument that there is no distinctive Samara look, that it involves nothing more than placing appliques on seersucker, and that it is too vague to be protected, is thus undermined directly by Wal-Mart itself.

The evidence at trial disproves any contention that Samara's designs strive solely to produce attractive clothing and not to designate source. Samara placed in the record

2. *Samara Brothers, Inc. v. Judy Philippine, Inc.*, 969 F. Supp. 895, 898 (S.D.N.Y. 1987).

3. *Samara Brothers, Inc. v. Wal-Mart Stores, Inc.*, 165 F.3d 120, 125 (2d Cir. 1998).

4. Wal-Mart's petition asserts (at p. 17) that Samara's witness Mr. Goldman denied that the dress Mr. Coston, Wal-Mart's counsel hand-drew at the trial with a "snowman" applique bore the "Samara look." What Wal-Mart does ***not*** tell the Court, though, is the reason Mr. Goldman gave: snowmen are too tall and too high up in the collar to fit into the Samara way of integrating the applique into the collar. Tr. 260 ("it's too high . . . . It's not the right shape"). Wal-Mart also omits the end of the exchange about Mr. Coston's hand-drawn collars with appliques. Mr. Goldman said "[i]t could be a copy of the Samara look" (Tr. 263).

dozens of garments. So did Wal-Mart. Yet Wal-Mart never has pointed to a single non-Samara garment that fits into the Second Circuit's description of Samara's trade dress. So even as Wal-Mart tells the Court that the trade dress as defined by the Second Circuit is "amorphous" and not sufficiently detailed or specific to accurately describe the trade dress, it has not been able to back up its rhetoric with anything concrete.

Besides the visual evidence of the garments themselves there was also substantial verbal evidence in the record of the specific features the trade dress is comprised of. Kathy Gosda, one of Samara's designers, testified in great detail about what distinguishes a Samara garment. Some of the details follow: "We make the collar important because that is where the decoration is" (Tr. 154); Samara generally uses appliques rather than embroidery (Tr. 154, 160); "We don't do accessories with our garments" (Tr. 152); "We don't often do fabric mixing. It's not just what Samara does" (Tr. 157); Samara tends to integrate appliques into the construction of the collar, often making the whole collar into an applique (Tr. 152. 153); "We don't use black outlines. In our look we think it's too harsh for children" (Tr. 155; *see also* Tr. 160); Samara appliques are solid pieces rather than screen printed, they do not involve three-dimensional figures and do not involve the use of words (Tr. 156, 161); "We don't do two-piece bodies" (Tr. 155); Samara appliques are large rather than small (Tr. 156); and Samara uses full collars and full-cut bodies rather than cut-out bodies, for a more conservative look covering more of the child (Tr. 174). Taking most or all of these elements in combination produces the Samara look; contrary to Wal-Mart's misstatements, Samara has consistently relied on this list of elements as the basis of the Samara look, and did not continually offer differing versions

of the trade dress.[5] The description of the look employed by the Second Circuit tracks this list of features pretty closely, although the Second Circuit's wording is a bit different.[6]

It bears emphasis here that Wal-Mart never contended that the jury was instructed erroneously as to the law. The definition of distinctiveness that District Judge Chin gave the jury was never challenged. Nor did Wal-Mart request that the District Court submit to the jury a special interrogatory requesting an articulation of the details of the trade dress. As a result, the jury simply applied the District Judge's instructions and determined that "Samara's trade dress [is] protectible" (Tr. 704).

SUMMARY OF REASONS THE WRIT SHOULD NOT BE GRANTED

This case presents no issues suitable for review by this Court:

- There is no split among the circuits as to the governing law, and the result in this case would not change even if there were.

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5. Wal-Mart disingenuously refers to Samara's thumbnail summaries of the trade dress in Samara's appeal brief as five different descriptions of the trade dress, when in reality the different formulations are simply a function of the fact that the same thing can be described in different words and, in readable prose like an appeal brief, often is.

6. The only real difference is that the Second Circuit decided that to be protectible, there had to be two or three matching appliques placed symmetrically in the collar or, if there was no collar, at the collar line. 165 F.3d at 129.

- This case is not such a drastic departure from the accepted course of legal proceedings as to require this Court to exercise its supervisory power, and Wal-Mart makes no argument that it is. To the contrary, the Second Circuit's ruling is well-grounded in its own precedents and is consistent with both this Court's rulings and those of other circuits.

- Even if there were hypothetically some legal issues suitable for consideration by this Court, this case is not an appropriate vehicle for such review, because of the fact-sensitive nature of this dispute. Thus, the dissent in the Second Circuit — whose position Wal-Mart would have this Court adopt — predicted that the majority's "trade dress and copyright rulings will prove to be limited to the precise facts of this case," *Samara Brothers, Inc. v. Wal-Mart Stores, Inc.*, 165 F.3d 120, 133 (2d Cir. 1998) (Newman, J., dissenting). Clearly, the kind of factual inquiry that Wal-Mart's view of this case would require of the Court counsels heavily against granting certiorari here.

- The District Court entered its judgment below after a verdict rendered by a jury. Because of that, the standard of review on appeal mandates that ***every*** factual inference be drawn in Samara's favor. The heavy factual argumentation in Wal-Mart's Petition, including references to testimony that it believes is inconsistent with the verdict, by itself shows what a poor vehicle this case would be for the Court to make a definitive pronouncement of the law. It would be one thing if the Petition accepted Samara's version of the facts and then argued that ***even on those facts*** there was no legal basis for the judgment below. But that is not what Wal-Mart did: instead it subjected the Court to a litany of record

references calculated to show that there was evidence in the record that does not support the jury's findings or the judgment entered thereon, or the affirmance in the main on appeal. That approach is inconsistent with the normal standard of appellate review of jury verdicts. In any event, the claimed existence of erroneous factual findings is not ordinarily a basis for granting a writ of certiorari, *see* Supreme Court Rule 10.

- The Second Circuit opinion was ***not*** a departure from prior law. Trade dress protection of the configuration of a product line is nothing new. Other circuits have upheld such protection.[7] What was new about this case, and what garnered the critical comment Wal-Mart cites in its brief, apparently was the fact that the product found protectible here was ***clothing***. Because of the ebb and flow of fashion, clothing will typically change from year to year, and thus its appearance typically will not be source-identifying. But Samara's unique, timeless and conservative design for children's garments, consistent from year to year and ***not*** shifting with fashion, is the logical exception to the normal perception regarding protectibility of trade dress for clothing under the Lanham Act. But that hardly makes the Second Circuit's decision a departure from prior law; it simply means that the well-established prior law had not previously led to

7. *See, e.g., Imagineering, Inc. v. Van Klassens, Inc.*, 53 F.3d 1260 (Fed. Cir.), *cert. denied*, 516 U.S. 909 (1995) (line of furniture); *Bauer Lamp Co., Inc. v. Shaffer*, 941 F.2d 1165 (11th Cir. 1991) ("neoclassic" line of lamps); *Taco Cabana International, Inv. v. Two Pesos, Inc.*, 932 F.2d 1113 (5th Cir. 1991), *aff'd*, 505 U.S. 763 (1992); *Roulo v. Russ Berrie & Co.*, 886 F.2d 931 (7th Cir. 1989) (line of greeting cards); *Hartford House Ltd. v. Hallmark Cards, Inc.*, 846 F.2d 1268 (10th Cir. 1988) (line of greeting cards)

protection of the appearance of clothing. Thus, all this case presents is the application of old law to new facts. That sort of situation is not one that cries out for Supreme Court review.

- The main issues presented here were already addressed by this Court very recently and need not be addressed again, especially in a case like this one that simply applies existing law. *Qualitex Co. v. Jacobson Prods. Co., Inc.*, 514 U.S. 159, 115 S. Ct. 1300 (1995) disposes of Wal-Mart's issue as to functionality; and *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992) disposes of Wal-Mart's issue as to distinctiveness. There is no new issue here for the Court to decide.

Wal-Mart did not identify in its petition which of the several criteria in Supreme Court Rule 10 it relies on to justify its position that the Court should accept this case. It is apparent that the main reason Wal-Mart wants Supreme Court review here is that it thinks the Second Circuit decided Wal-Mart's appeal the wrong way. But even if Wal-Mart is correct that it should have won in the Second Circuit (and it is not), error in the Court of Appeals is not now and never was a suitable reason by itself for this Court to take a case. This case is simply not a matter of national concern. The petition should be denied.

REASONS FOR DENYING THE WRIT

I.

SAMARA'S CLOTHING BEAR DESIGNS THAT ARE NON-FUNCTIONAL AND SOURCE-INDICATING

A. Samara's Trade Dress is Not Aesthetically Functional

Wal-Mart contends that the appearance of the Samara garments is aesthetically functional (Petn. 12-13).[8] But it fails to show how this case presents any unique aspect of the aesthetic functionality doctrine that this Court has not dealt with before. In *Qualitex Co. v. Jacobson Prods. Co., Inc.*, 514 U.S. 159, 115 S. Ct. 1300 (1995), this Court held that the green-gold color of Qualitex's dry cleaning press pads (*i.e.* appearance of the product itself, not packaging) could be protectible under the Lanham Act as an indicator of source. *Qualitex* rejected the infringer's claim that the product's color was necessarily "aesthetically functional." In discussing what makes an aesthetic feature functional, this Court quoted the definition of aesthetic functionality as set forth in the Restatement (Third) of Unfair Competition:

> The Restatement (Third) of Unfair Competition [states] that, if a design's "aesthetic value" lies in its ability to "confe[r] a significant benefit that cannot practically be duplicated by the use of alternative designs," then the design is "functional." Restatement (Third) of Unfair Competition § 17, Comment *c*, pp. 175-176 (1993). The "ultimate test of aesthetic functionality," it explains, "is whether the recognition of trademark rights would significantly hinder competition." *Id.*, at 176.

8. Wal-Mart's Petition for a Writ of Certiorari is referred to as "Petn."

Qualitex, 514 U.S. at 170. Notably, Wal-Mart's Petition mentions neither *Qualitex* nor the Restatement. That is unsurprising: this case is an unremarkable, utterly routine application of *Qualitex*. That is why it is unsuited for *certiorari*.

Protecting the appearance of Samara's clothing places no crimp on competition whatsoever. As the Second Circuit has noted, garments can have an almost infinite number of different appearances, which is why protecting the appearance of clothing does not implicate concerns for competition, *Knitwaves Inc. v. Lollytogs Ltd.*, 71 F.3d 986, 1006 (2d Cir. 1995). Aesthetic functionality thus never comes into play in this case. Wal-Mart's failure to discuss *Qualitex* or to articulate how the judgment below will foreclose Wal-Mart from competing is tantamount to a concession on the issue. Thus, there is simply no issue here for this Court to decide. *Qualitex* said it all perfectly a scant four years ago.[9]

Wal-Mart cites the Second Circuit's observation in an earlier case that the Second Circuit "***appears to be*** moving toward a rule that packaging is ***usually*** indicative of a product's source, while the design or configuration of a product ***usually*** is not." *Landscape Forms, Inc. v. Columbia*

9. Wal-Mart's contention that fabric designs are protectible while dress designs are not (Petn. 3) is beside the point. The shape of garment bodies indeed is not protectible. But this case is not about garment bodies. It is about the overall appearance of a line of garments, of which the body shapes are just one feature.

Cascade Co., 113 F.3d 373, 379 (2d Cir. 1997) (emphasis supplied). From this Wal-Mart concludes that, because the trade dress upheld here was not packaging, the Second Circuit eroded its own distinction in this case. But Wal-Mart does not disclose the *Landscape* opinion's ***immediately subsequent*** observation that "[n]either principle is hard and fast, and analysis will always require a look at the product and the market in which it competes." *Id.* The opinion below is thus not a departure even from Second Circuit law. It is certainly not a departure from the law in the rest of the country, where other circuits have often upheld trade dress protection of a product's or product line's configuration rather than its packaging. *See, e.g., Imagineering, Inc. v. Van Klassens, Inc.*, 53 F.3d 1260 (Fed. Cir.), *cert. denied*, 516 U.S. 909 (1995) (line of furniture); *Bauer Lamp Co., Inc. v. Shaffer*, 941 F.2d 1165 (11th Cir. 1991) ("neoclassic" line of lamps); *Taco Cabana International, Inv. v. Two Pesos, Inc.*, 932 F.2d 1113 (5th Cir. 1991), *aff'd*, 505 U.S. 763 (1992); *Roulo v. Russ Berrie & Co.*, 886 F.2d 931 (7th Cir. 1989) (line of greeting cards); *Hartford House Ltd. v. Hallmark Cards, Inc.*, 846 F.2d 1268 (10th Cir. 1988) (line of greeting cards). Indeed, even the Second Circuit's own *Knitwaves* test — which asks whether the claimed trade dress is likely primarily to indicate source, 71 F.3d at 1029 — is itself indicative that non-packaging trade dress ***can*** indicate source. This Court itself has held as much by its decision in *Qualitex* that a product's ***color*** (as distinct from its package) can be source-indicating. Even under the authorities that Wal-Mart itself relies on, therefore, there is no issue worthy of this Court's attention.

B. The Trade Dress is Not Too Vague and Amorphous to be Protectible

Wal-Mart's "vagueness" attack concentrates virtually entirely on factual discussion, specifically, the inability of certain witnesses, under hostile examination, to give a thumbnail description of the "Samara look" (Petn. 13-15).[10] But the issue is not whether a witness could give a one-sentence description of the trade dress. Rather, the issue is whether the evidence in the record can legally support the jury's verdict. Samara has set forth above a summary of the facts from which the jury could find a distinctive trade dress. The Second Circuit found that, except as to three of the forty-three Samara garments in the record and two of the sixteen pirated by Wal-Mart, the evidence could indeed support the verdict. Wal-Mart's reliance on parsing the factual record here shows precisely why this case is not a good candidate for review by this Court.

The only difference between the Second Circuit's description of the trade dress and the one proffered by Samara is that the Second Circuit specified that the garments must have a row of two or three appliques along the collar (or, if

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10. Wal-Mart's recitation on Page 14 of the petition misstates the record quite blatantly. The quotes from pages 534-35 and 557 of the trial transcript are ***not*** from the testimony of Samara's Vice-President of Sales. They are from testimony of a third-party witness: Patricia Hamilton, a children's clothing buyer for Stein-Mart, a chain of retail stores. Unlike the testimony of a party, which can plausibly be attacked as self-serving, this third-party witness testimony provided highly credible proof that the appliques and their placement (*inter alia*) create a recognizable distinctive Samara "look." Placement of the appliques was, of course, a "major design element" of the trade dress found by the Second Circuit, 165 F.3d at 128-29.

there is no collar, at the collar line) and on any pockets, 165 F.3d at 128-29. The three garments deemed not protectible had only a single applique not placed in any particular spot on the garment; the Second Circuit determined that these garments "had so few of the described design elements that to afford them protection would mean awarding Samara a monopoly on all seersucker children's clothing with appliques," *id.* at 129. Put differently, the Second Circuit held that these garments bearing just a single applique on seersucker had a generic, rather than distinctive, appearance. Applique on seersucker, standing alone, is just a type of garment: it is generic. Only if the appliques are arranged in a unique way can the trade dress be distinctive according to the Second Circuit.

This approach comes squarely within the *Abercrombie* analysis this Court endorsed in *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992).[11] Under the *Two Pesos* approach, distinctive marks or trade dresses (*i.e.* those that are suggestive, arbitrary or fanciful) are protectible; descriptive ones can be protectible only upon a showing of secondary meaning; and generic ones cannot be protected. The Second Circuit appears merely to have held that some of the garments had too few of the elements of the protectible trade dress, and thus were generic in appearance. That means the jury had slightly overstepped.

There is nothing unique about the appellate exercise of upholding as much of a jury verdict as complies with legal standards. Contrary to Wal-Mart's suggestion (Petn. 9, 15-

11. In *Two Pesos*, this Court approved Judge Friendly's approach to analyzing protectibility of marks under the Lanham Act, *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976).

19), this exercise did not consist of the Second Circuit making its own findings of fact. Rather, the Second Circuit merely applied well-established legal standards to uphold the verdict as to most of the items and reverse it as to a few. This certainly presents no crucial legal issue for this Court to decide. *Two Pesos* said it all, perfectly, just seven years ago.

C. There is No Split Among the Circuits, and Certainly None That This Case Can Resolve.

Wal-Mart points to three supposedly distinct standards that the various circuits have enunciated to evaluate claims that the configuration or appearance of a product (as distinct from its package) is a protectible trade dress. As we show below, the three standards are not really different at all. They simply address to different aspects of the concerns a court has when evaluating a claimed trade dress in the appearance or configuration of a product. The main considerations are: (1) ensuring that the claimed trade dress is even capable of being a trade dress, *i.e.*, that it could potentially indicate source; (2) ensuring that the claimed trade dress is not functional; and (3) evaluating whether it is distinctive. These inquiries are closely related in many respects, as the case law bears out. But the various circuits do consider each of these issues. No matter which approach is used, though, the result in this particular case would not change. Thus, this case is not an appropriate one for the Court to accept even if this issue did present a circuit split (which, as shown below, it does not).

1. *Second Circuit*

The Second Circuit's approach to evaluating protectibility of a product line's appearance or configuration

is set forth in (among others) *Knitwaves, Inc. v. Lollytogs Ltd.*, 71 F.3d 996 (2d Cir. 1995) and *Landscape Forms, Inc. v. Columbia Cascade Co.*, 113 F.3d 373 (2d Cir. 1997). In *Knitwaves*, the Second Circuit considered whether the appearance of plaintiff's line of "fall motif" sweaters was protectible under the Lanham Act. The Second Circuit rejected the defendant's contention that the appearance of that line was aesthetically functional, because according to the court, the number of possible sweater designs was infinite. Thus, protecting the appearance of the line would not foreclose competition.

But the Second Circuit denied protectibility for a different reason. To establish a trade dress claim in configuration of a product, a plaintiff has to show that its claimed "dress is distinctive ***of the source***," *id.* at 1006. The *Knitwaves* plaintiff had offered no evidence of the source-identifying nature of its claimed trade dress — it appeared to be merely ornamental — so it could not be protected. The Second Circuit opinion in *Knitwaves* does distinguish between trade dress in packaging (for which distinctiveness is evaluated under *Abercrombie*) and trade dress in the product (as to which the Second Circuit said *Abercrombie* does not fit well), but that discussion is dictum, because it is not what *Knitwaves* turns on. Although the opinion's language conflates the two inquiries somewhat, *Knitwaves* never really had to reach the issue of distinctiveness because the claimed trade dress in that case failed the threshold test: whether it could potentially be a trade dress at all. Because the plaintiff had not shown it was "likely to serve primarily as a designator of origin of the product," *id.* at 1008, the appearance of the sweaters was not protectible. There was no evidence in that case that the garments' appearance was anything more than eye-pleasing. It did not have capacity to indicate source.

Landscape refused trade dress protection to a line of outdoor furniture that the plaintiff there said was "at once massive, yet appeared to float," *id.* at 382. This description failed to identify the details of the claimed trade dress, relying instead on an abstract style or concept. As in *Knitwaves*, though for a different reason, the trade dress claim in *Landscape* failed because the plaintiff could not show that it really was a trade dress at all, as distinct from a generalized concept. It lacked the potential to designate source.

In the instant case, all the members of the Second Circuit panel accepted that the *Knitwaves* inquiry was met, because the evidence in the record indicated that the appearance of Samara's spring/summer seersucker line was intended to be, and had the capacity to be, source-identifying. Similarly, the Second Circuit majority found that the record contained sufficient detail of the components of the trade dress that were protectible — so that *Landscape* was met. Thus, the Second Circuit's two threshold inquiries into whether the claimed trade dress is one that is even susceptible of being protectible were both met here.

As noted, Wal-Mart argues that, by finding three of the forty-three Samara garments not to be protectible, the Second Circuit made its own findings of fact. In reality, though, it appears that what the Second Circuit did in this case is proceed to analyze for distinctiveness once it was satisfied that the threshold inquiries were met. First, it determined that there was evidence in the record to support the jury's verdict as to almost all of the garments: it identified the features of the garments in the record that the jury was entitled to find comprised a protectible trade dress. As to the garments it found unprotectible, the court found they "had so few of the described design elements that to afford them

protection would mean awarding Samara a monopoly on all seersucker children's clothing with appliques placed anywhere on the garment. The unprotected garments typically have one large applique on the chest or lower front of the garment. . . ." 165 F.3d at 129. In other words, a garment that has just an applique on seersucker is too generic to be protectible. But if the appliques come in sets of two or three and are placed in the collar, then, (if most or all of the other elements are present) the garments can be distinctive. Thus, this case and its predecessors show that the Second Circuit tests trade dress claims in the appearance or configuration of a product by asking the three questions listed above: (1) is the claimed dress potentially a source-indicator; (2) is it functional; and (3) is it distinctive. The three questions are closely related, but they each look at different facets of the inquiry.

2. *Third Circuit*

The Third Circuit standard as set out in *Duraco Products v. Joy Plastic Enterprises Ltd.*, 40 F.3d 1431, 1448-49 (3d Cir. 1994), purports to be a three pronged test: The plaintiff must show that its trade dress is (in) unusual and memorable; (ii) conceptually separate from the product; and (iii) likely to serve primarily as a designator of origin of the product. In its operation, this standard does not operate any differently from Second Circuit's analysis. In the context of product configuration, saying that a claimed trade dress has to be unusual and memorable is roughly equivalent to saying it has to be distinctive (if it were not unusual and memorable, the configuration would be generic or perhaps functional). Saying it must be conceptually separable from the product is a somewhat different way of saying that the claimed trade dress cannot be functional or ornamental; a claimed trade

dress is conceptually separable from a product if the product would still be the same product even after the trade dress was removed from it. And requiring that the trade dress serve primarily as a designator of origin of the product is merely a different way of asking the threshold question whether the claimed trade dress is susceptible of analysis for lack of functionality and for distinctiveness, or instead is merely an abstract idea or concept, or non-source indicative adornment (or perhaps a functional feature). This three-pronged test tracks the Second Circuit's case law very closely.

Unsurprisingly, therefore, the instant case would come out precisely the same way under the Third Circuit's analysis. The evidence of record shows no other non-Samara garments bearing the combination of design elements the Second Circuit majority identified, so the Samara trade dress is "unusual and memorable." The garments would still be children's garments even if the appliques and collars and other features of the trade dress were removed from them — so the Samara trade dress is "conceptually separable from the product."[12] Finally, it is likely to serve primarily as a designator of source, because the evidence in the record supports that finding, as the Second Circuit held unanimously in its discussion of how *Knitwaves* applies in this case, 165 F.3d at 129.

3. *Eighth Circuit and Fifth Circuit*

The Eighth Circuit and Fifth Circuit both have decided to analyze all trade claims, including those based on product appearance or configuration, under the *Abercrombie*

12. Wal-Mart does not explain its contention (Petn. 7-8) hat the Samara trade dress is not conceptually separable from the garments it is on.

analysis.[13] *Abercrombie* is a test for distinctiveness. But using *Abercrombie* to test for distinctiveness does not negate the other inquiries that the Second and Third Circuits use. Thus, for example, both the Fifth and Eighth Circuit still ask whether a claimed trade dress is functional in addition to asking whether it is distinctive. *See, e.g., Pebble Beach Co. v. Tour 18 Ltd.*, 155 F.3d 526, 536 (5th Cir. 1998) (noting distinctiveness and functionality as separate elements of trade dress to be analyzed); *Body Support Systems v. Blue Ridge Tables*, 934 F. Supp 749, 755 (N.D. Miss. 1996) ("[o]nce a product is found to be non-functional, the court turns to the second inquiry [of] whether the product is distinctive"). *See also Stuart Hall Co., Inc. v. Ampad Corp.*, 51 F.3d 780, 783 (8th Cir. 1995) (inquiry for trade dress protectibility includes distinctiveness and functionality); *Aromatique, Inc. Gold Seal, Inc.*, 28 F.3d 863, 868-874 (8th Cir. 1994) (denying trade dress protection for the "two independent reasons" that product was not distinctive and was functional). Similarly, although the issue has not recently presented itself (as it has in the Second Circuit), there is little reason to believe the Fifth and Eighth Circuits will not continue to apply a threshold inquiry to decide whether a plaintiff's claimed trade dress is even susceptible of being evaluated as a possibly protectible trade dress. *See, e.g., Prufrock Ltd. v. Lasater*, 781 F.2d 129 (8th Cir. 1986) (rejecting trade dress protection for restaurant chain's vague theme of "informal country dining").

Plainly, under this analysis the Samara trade dress would pass the threshold tests and would also be found distinctive

13. *See, e.g., Stuart Hall Co., Inc. v. Ampad Corp.*, 51 F.3d 780 (8th Cir. 1995); *Sunbeam Prods. Inc. v. West Bend Co.*, 123 F.3d 246 (5th Cir. 1997); *Pebble Beach Co. v. Tour 18 Ltd.*, 155 F.3d 246 (5th Cir. 1997).

and nonfunctional. Thus, the result in this case would be precisely the same.

The inquiries in the various circuits thus turn out to be merely the same questions in different formulations. That means there is no circuit split. Even if there were, however, the precise same result would have obtained in this case no matter which standard was applied. Accordingly, this case is plainly not one that is appropriate for this Court's attention.

D. The "Redefining" is Nothing of the Sort.

1. *There was no "redefining"*

Wal-Mart argues that the Second Circuit erred by redefining the trade dress as determined by the lower court. According to Wal-Mart, the Second Circuit's proposed trade dress is contrary to what Samara advocated at the trial. But Wal-Mart is wrong for a number of reasons. First, Wal-Mart relies heavily on factual discussion that ignores other parts of the record. For example, Wal-Mart says the Samara witnesses denied that a hand-drawn garment collar design with a "snowman" applique was the "Samara look" even though it matched the Second Circuit's articulation of the trade dress (Petn. 17). But Wal-Mart leaves out the witness's explanation of why the design did not look right (*see* fn. 4, *supra*), and Wal-Mart likewise ignores the rest of the witness's testimony on the subject of the hand-drawn collar designs, which the witness concluded with the observation "it could be a copy of the Samara look" (Tr. 263). It should be clear that this argument about the supposed "redefinition" of the trade dress simply underscores how inappropriate this case is for Supreme Court review, because the amount of factual argumentation that is necessary for Wal-Mart to make

the argument muddies the waters of any legal issues that this case may present. There was no "redefinition;" all the Second Circuit did is identify the evidence in the record that supported the verdict, and reverse the judgment as to the very small part of the verdict where the evidence did not legally support it.

Second, Wal-Mart contends that Samara denied that seersucker fabric was essential to the look that it sought to protect, while the Second Circuit held that seersucker fabric is an essential element to the look (Petn. 17-18). Wal-Mart relies for its argument on characterizing certain snippets of testimony from the trial record.[14] But what Wal-Mart does not tell the Court in its Petition is that when Samara submitted a form of proposed final judgment to the district court, that proposed form of final judgment included in the injunctive

14. The main bit of testimony Wal-Mart relies on (Petn. 17) is as follows: "Q: Would I have to have seersucker with this [dress] for this to be the Samara look?" "A: No." But this is contextually not informative, and certainly does not undermine the Second Circuit's finding that the protectible trade dress requires seersucker fabric.

What was at issue in the trial was Samara's Spring-Summer seersucker line. That is all Samara was seeking to protect in this lawsuit; as Samara's president testified, "the appliqued seersucker product is what Samara is known for in the children's wear industry. This is our core business. It is the lifeblood of the company" (Tr. 130). It thus stands to reason that the protectible trade dress is embodied in the line that identifies the company, namely the Spring/Summer seersucker line. That Samara might be also able to construct garments with a similar look that are not seersucker is utterly irrelevant to the source-identifying capacity of the seersucker garments with uniquely arranged sets of appliques that were at issue in this case.

language a provision that among the elements of the proposed trade dress was seersucker fabric (A205). Indeed, every single garment presented to the court at the trial was a seersucker garment. The undisputed testimony at the trial was that the seersucker line is the very core of Samara's business and the one product that the company is known for. (Tr. 130). It is nothing short of astonishing that Wal-Mart can claim Samara was trying to protect anything else.[15] The Second Circuit certainly did not "redefine" anything.

Wal-Mart's related argument that Samara's complaint provided an insufficient description of the trade dress (Petn. 16) is beside the point. On appeal of a judgment entered upon a jury verdict, the issue is not what the complaint says, but rather what the trial record shows. The Second Circuit had no difficulty, upon review of the trial record and the judgment, in upholding the verdict of the jury, except insofar as the jury awarded damages for garments that were, in effect, generic.

Wal-Mart thus is asking this Court *sub silentio* to apply a standard of review different from what this Court and all the Courts of Appeal have historically applied: instead of a highly deferential standard based on drawing every record inference in favor of the jury verdict, Wal-Mart would have

15. The argument that Samara never articulated the trade dress the same way twice is fatuous. There is no requirement that the same words always be used. Indeed, in readable prose, such as Samara's appeal brief (which Wal-Mart says contains five different descriptions of Samara's trade dress), the mode of expression will almost necessarily vary somewhat each time a topic is revisited. There is no requirement that appellate briefs must contain stilted and repetitive prose. This type of argument illustrates the insubstantiality of the issues Wal-Mart wants this Court to consider.

this Court overturn settled practice by taking traditional fact issues out of the hands of the jury. The Second Circuit followed precisely the correct course, by upholding as much of the jury verdict as had evidence to support it consistent with the law. If what Wal-Mart is seeking is to establish a new standard of appellate review for judgments entered upon jury verdicts, it should come out and say so. It certainly made no such argument in the Second Circuit. That it has not said so simply underscores that this is not an appropriate case for this Court to engage in such an exercise.

2. *Deciding trade dress claims is an issue for the jury*

Wal-Mart's related insistence that trade dress claims are similar to patent claims, so that the court and not the jury should have evaluated them, is simply wrong. In *Markman v. Westview Instruments*, 517 U.S. 370 (1996), this Court held that construction of patent claims was the province of the court rather than the jury. But patent claims are, of necessity, written. It is quite unremarkable to say that construction of written documents is an issue for the court rather than the jury to decide.

That is emphatically not the case for trade dress claims, which by definition are not written. Moreover, patent infringement claims are still tried to the jury even according to this Court in *Markman*, *id.* at 377. The fact of the matter is that properly instructed juries can make proper findings of fact in trade dress cases. Wal-Mart does not contend that the jury was not properly instructed in this case, and, as the Second Circuit noted, "Our system relies on juries to perform these [fact-finding] tasks even when the factual issues are challenging and subtle." 165 F.3d at 124.

II.

NEW YORK STATE LAW IS NOT PRE-EMPTED BY THE COPYRIGHT ACT

The Second Circuit held unanimously that Samara's claims under New York General Business Law § 349 and state unfair competition law were not preempted by § 105 of the Copyright Act. While noting that § 105 preempts state law claims that are premised solely on copying, the Second Circuit held that a claim under GBL § 349 and common law unfair competition requires a showing of more than just copying. It requires a showing of "deception" by the defendant and "actual confusion" by consumers. Samara's unfair competition claim likewise required a showing of actual confusion. These extra elements remove the state law claim from the scope of § 105 preemption. 165 F.3d at 130.

Wal-Mart's petition argues that "intentional deception" merely alters the scope of a claim, not its nature — in other words, according to Wal-Mart, the gravamen of the state law claims is copying (whether intentional or not). But Wal-Mart never addresses consumer confusion or deception of consumers as a separate element. The fact is that the state law claims are consumer protection measures that are conceptually similar to the Lanham Act, not to the Copyright Act. Their gravamen is deception and confusion, not copying alone. They target deceit and confusion, not copying. All the tortured reasoning in the world cannot change that. *See* 165 F.3d at 131-32.

In any event, Wal-Mart has not articulated any need for Supreme Court review on this issue. There is no groundswell in the lower courts of improper failures to respect § 105 of

the Copyright Act. There is no split among the circuits about the scope of pre-emption. The New York common law or consumer protection law is not being used as a nationwide way to end-run federal law. This is just not an issue that requires this Court's attention.

III.

SUPREME COURT REVIEW OF THE COPYRIGHT ISSUES IS UNNECESSARY

Wal-Mart has challenged the Second Circuit's decision to uphold the jury's finding that all six of the copyrights Wal-Mart challenged on appeal (out of thirteen that were before the jury) were valid. Wal-Mart has not pointed to any particular novel issue presented by these copyrights. It simply posits, flatly, that the copyrighted works evidence insufficient originality.

But there is nothing about these copyrights that warrants another look by this Court at the degree of originality necessary for copyright protection. Wal-Mart admits in its Petition that the issue was adequately and fully addressed by this Court in *Feist Publishing Inc. v. Rural Telephone Service Co.*, 499 U.S. 340 (1991). The Petition, in other words, asserts only that the Second Circuit misapplied *Feist*. Even if Wal-Mart were correct about that (which it is not), a claimed error in applying settled law is not a basis for taking up this Court's time.

CONCLUSION

For the reasons stated above, respondent Samara respectively submits that this Court should deny Wal-Mart's petition for a writ of *certiorari* in this action.

Respectfully submitted,

STUART M. RIBACK
Counsel of Record
FRED M. WEILER
SILLER WILK LLP
Attorneys for Respondent
747 Third Avenue
New York, New York 10017
(212) 421-2233